



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

Subject: Programs of All-Inclusive Care for the Elderly (PACE) Data Collection Methodology Change & Expansion – Second Notice

On December 12, 2022, the Maryland Department of Health (the Department) published a public notice soliciting comments for a proposal to amend its State Plan to effectuate the changes below effective February 1, 2023. Comments regarding that notice were accepted until January 11, 2023. No comments were received for this change.

Data Collection Methodology

Effective January 1, 2023, Maryland Medicaid will be expanding the geographical areas for which it gathers data to establish the two-year base period used to calculate Programs of All-Inclusive Care for the Elderly (PACE) rates in anticipation of planned future expansion. PACE will be grouped into three regions: Baltimore Metro, Washington Metro, and Rural.

- 1) Baltimore Metro - Baltimore City and Anne Arundel, Baltimore, Cecil, Carroll, Harford, and Howard counties
- 2) Washington Metro - Calvert, Charles, Frederick, Montgomery, Prince George's, and St. Mary's counties
- 3) Rural - Allegany, Garrett, Washington, Caroline, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester counties

At this time, Maryland's only PACE program is located in Baltimore City. Therefore, there will be no change in reimbursement methodology for the existing provider. Once future PACE expansion plans take effect, it is possible that grouping Baltimore City with Anne Arundel, Baltimore, Cecil, Carroll, Harford, and Howard counties into one region may have minimal, indeterminate impacts on the existing PACE rates.

PACE Expansion

Effective February 1, 2023, Medicaid will initiate an increase from one PACE program to five. Medicaid anticipates a total fiscal impact of up to \$646,491 during the period of February 1, 2023 through January 31, 2024. This amount assumes two new programs will begin operation in Calendar Year 2023. This amount is subject to a 50 percent federal match (\$323,245 federal funds and \$323,246 general funds).

For more information on this notice, please contact Tyler Colomb, at tyler.colomb@maryland.gov.

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